



**FINAL EA
AND
DECISION NOTICE
ON
C.R. KENDALL CORP.
AMENDED CLOSURE PLAN
PROPOSED COVERSOIL SYSTEM CHANGES**

February 5, 2002

Dear Reader:

The Montana Department of Environmental Quality (DEQ), Environmental Management Bureau has reviewed public comments received on the Draft Environmental Assessment (EA) for a revised coversoil system which was part of an Amended Closure Plan proposed by C.R. Kendall Corp. at the CR Kendall Mine. Canyon Resources applied for the Amended Closure Plan to Operating Permit 00122 near Hilger, MT on March 8, 2001. The Draft EA evaluating the potential impacts from the proposed change in the coversoil system was mailed out on August 21, 2001. Seven comment letters were received by the agency.

The public comments raised several issues that cannot be dealt with using the changes added to the Agency Modified Plan in the Draft EA. Therefore, the agency has not adopted the Draft EA as the Final Environmental Assessment and DEQ has decided that a comprehensive Environmental Impact Statement (EIS) is needed. The EIS will address all issues raised in the Draft EA comments. The major issues include:

- 1) A reevaluation of the reclamation plan including existing reclaimed acres on the site. The reevaluation will address a range of alternatives for reclamation including impervious covers on waste rock dumps and the leach pads.

- 2) A review of all potential impacts to water quantity and quality in the drainages.
- 3) Review of water rights issues, and
- 4) Review of water treatment alternatives.

DEQ is considering using a process such as the Multiple Accounts Analysis process that was used for the supplemental Final EIS for the Zortman and Landusky Mines to develop the range of alternatives. This process is an iterative process of considering possible reclamation measures under a central theme, evaluating the effectiveness of the reclamation alternatives and then revising the alternatives to optimize their effectiveness. A technical working group comprised of DEQ, DNRC, third-party consultants, and the public would use the process to develop alternatives that address public concerns and that would meet legal reclamation requirements.

Alternatives would be developed that could be implemented with the reclamation bond available as well as other alternatives not constrained by the existing reclamation bond amount. The decision maker would select the alternative that meets the needs and objectives identified in the EIS regardless of cost.

The letters and responses to public comments are attached in Appendix E. The agencies have provided a concise response to comments but the public comments will be incorporated into the scoping process for the EIS and fully addressed in the EIS scoping document.

This Final EA concludes that DEQ must proceed with an EIS to address the issues raised by the public regarding the content, adequacy, and completeness of the Draft EA. Therefore, the preliminary preferred alternative which was called the Agency Modified Plan in the Draft EA is not approved.

Appendix F attached lists the changes made to the Draft EA. Please insert the changes in your copy of the Draft EA.

If you have any questions, please call me at 406-444-4960 or contact me via e-mail at pplantenberg@state.mt.us.

Patrick Plantenberg
Operating Permit Section Supervisor
Environmental Management Bureau

Date

Attachments

File 00122.32 and .70

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